



CITY OF NEWPORT BEACH

ECONOMIC DEVELOPMENT COMMITTEE

AGENDA

MEETING DATE: Wednesday, November 19, 2008
TIME: 8:00-9:00 A.M. *Please arrive 5 min. prior*
PLACE: City of Newport Beach Council Chambers

ROLL CALL AND INTRODUCTIONS

To assist with attendance there will be a sign in sheet at the podium, Please check off your name on arrival or before departing.

MEMBER UPDATES AND ANNOUNCEMENTS

DISCUSSION ITEMS

1. Approval of Minutes of October 15, 2008 (*Attachment*)
2. Presentation by Gary Sherwin on a Proposed Tourism BID
3. Presentations by the Utility Companies on their Economic Development Programs
 - Edison – Tod Sword
 - The Gas Co. – Jennifer Gonzalez
 - Irvine Ranch Water District – Amy K. McNult
4. EQAC Representative's Report

ITEMS FOR A FUTURE AGENDA

PUBLIC COMMENTS

ADJOURNMENT

NEXT EXECUTIVE COMMITTEE MEETING: Wednesday, December 3, 2008
8:00 A.M. – NEWPORT BEACH CHAMBER OF COMMERCE

NEXT REGULAR MEETING: Wednesday, December 17, 2008
8:00-9:00 A.M. – CITY COUNCIL CHAMBERS

City of Newport Beach

ECONOMIC DEVELOPMENT COMMITTEE



DRAFT MINUTES 10-15-08

Minutes of the Economic Development Committee held at the City Council Chambers, City of Newport Beach, on **Wednesday, October 15, 2008**.

Members Present:

X	Steve Rosansky, Chairman	X	Jennifer Gonzalez
E	Keith Curry, Council Member	X	John Hyatt
X	Mike Henn, Council Member	E	Lloyd Ikerd
X	Robert Hawkins, Planning Commissioner	E	Brion Jeannette
X	Mike McNamara, Vice Chairman	X	Debra Legan
X	Fred Ameri	X	Richard Luehrs
X	Craig Batley	X	Scott Palmer
X	Seymour Beek	X	John Robinson
X	Steven Coyne	X	Gregg Schwenk
X	Gary DiSano	X	Gary Sherwin
E	Jim Donnell	X	Gay Wassall-Kelly
X	Kenneth Drellishak		<i>Vacant</i>
X	Sheri Drewry		

Staff Representatives:

x	Sharon Wood, Assistant City Manager		
x	Leigh DeSantis, Economic Development Administrator		
x	Katie Bowden, Economic Development Coordinator		

Guests Present:

Roy Freeman, Resident	

Roll Call and Introductions:

Chairman Rosansky called the meeting to order at 8:08 am and requested introductions of the assembled members, staff and guests.

UPDATES AND ANNOUNCEMENTS

- Mr. Rosansky announced the ribbon cutting, Sunday, October 19, 200, from 4-6 pm for the expansion of the Newport Theater Arts Center at 2501 Cliff Drive.
- Mr. Luehrs reminded everyone that this evening will be the Chamber of Commerce hosted Fire and Lifeguard Beach Party thanking them for another year of service. The event will be at the Newport Dunes. Tickets are \$35.
- Mr. Henn reported that this evening was also the preview screening of the Roy Disney film Morning Light at the Lido Theater. Proceeds will benefit the NB Nautical Museum.

DISCUSSION ITEMS

1. **Minutes of September 17, 2008.** The August meeting was canceled.

Motion: Gary DiSano

Second: Mike McNamara

Vote: Unanimous

2. **Recommendation to appoint Jim Donnell to replace Danielle Sim representing Fashion Island and Newport Center and to appoint Jeffrey Cole to fill the vacant At-Large position left by shifting Mr. Donnell.**

The Executive Committee of EDC, when informed of Ms. Sim's resignation, felt it made the most sense to ask Jim Donnell, who had previously represented Fashion Island, to move into that position. The previous month there had been two qualified applications for one opening. Having believed both candidates to be qualified they chose to recommend Mr. Jeffery Cole to the EDC At-Large position rather than reopen the search. The chair asked for someone to move the question.

Motion: Gary DiSano

Second: Mike Henn

Vote: Unanimous

3. 2 Minute Reports Geographic Areas

Balboa Island – John Robinson

At the start of the year there were six leases/vacant units transitioning. As of today only two spaces remain open. Particularly lamented was the closing of Sandpiper after 27 years, which decided to close when the new property owner opted to double its rent. This summer the Island saw a noticeable influx of European tourists. Sales have been mixed. Ferry traffic has

held steady. Restaurant held steady until late September and early October reflecting the financial market decline. The retail sale of t-shirts was down 25% which they are attributing to the demise of The Real OC TV show. Books were down 20%. High end summer rentals increased 30% while low end rentals declined 25%.

Cannery/Lido/McFadden – Craig Batley

Summer was about the same as last year but fall is declining more than usual and they are worried about winter. Seventy-five to eighty percent of annual income comes from the summer but if the recession impacts winter strongly some may not survive. Vacation renters want discounts. The next month or two will show if bookings for next year will hold or decline. Dry-cleaning seen as an indicator of the economy is down 15-30%. Most businesses are down around 15%.

4. Discussion on what City should or could do.

The proposed Newport Beach Nautical Museum and Balboa Theater are seen as important catalysts for more economic activity on the Peninsula. Some thought that the City should invest further in those projects. Other felt it was time for the private sector to step forward. It was reported that Janet Ray was going to take over fund raising for the Balboa Theater and that was perceived as likely to be a success.

The NBCVB reported it would be participating with Pelican Hill in a London launch of the resort and that the NBCVB would also be opening its own London office to recruit more tourists. After the UK, they are considering Germany and Asia. The LA CVB has opened a China office.

Mr. Palmer, representing CDM, said that a number of businesses had expressed a desire to have more latitude for using banner advertising in this down economy. It was noted that the code had been changed relatively recently to reduce banner use from 90 days per year to 60 days per year. In addition, it was felt that business could benefit from receiving a mailing reminding them of the process for applying for and using banners since there did not seem to be an up-tic in applications at this time. It was moved, seconded, and passed unanimously to recommend to the City Council that from now until the end of December 2009 that banners be allowed for up to 120 days per year.

The Chamber of Commerce has been encouraging its members to send it notification of special sales or discount opportunities which the Chamber will either run on their web site or provide a link to the member's site. Given the large number of people that visit the Chamber's website, this is a good advertising option for members.

The members expressed concern about the perceived deterioration of Daily Pilot's coverage of local issues and the changes that the LA Times has made in editorial and production. There was some interest in joining with Costa Mesa to talk with the LA Times about the Committee's concerns regarding loss of coverage. It was noted that the Balboa Beacon seemed to be gaining advertising.

There were brief discussions on A-frame signs and parking. A-frames are not permitted in public

right-of-way. And parking is being dealt with under the parking management studies.

Southern California Gas Company mentioned that it had services, grants, and rebates to assist businesses with energy savings as did the electric company. The utility deals can be accessed either on the utility web sites or the Chamber web site. It was suggested that the Utility Companies be invited to speak to the EDC on their programs.

Lastly, a summary of approved projects in process that will generate new sales tax, property tax, and/or transient occupancy tax was handed out and reviewed. These projects will help maintain City revenues in the short term and grow them in the long term.

As a member of the Budget Committee, councilman Henn was asked about the City budget. He reported that the budget is being monitored carefully. Projections are that property tax receipts will still grow but at a significantly slower pace. Sales tax will be down but the new projects just discussed would off-set some of the declines. The biggest worry is what the State might choose to do to balance its budget at the expense of local governments.

5. EQAC Representative's Report

No EIR's

ITEMS FOR A FUTURE AGENDA

1. The Utility Companies
2. The Balboa Theater project (after the City Council has been briefed)
3. The Daily Pilot/LA Times (include Costa Mesa?)
4. Add two new standing agenda items to EDC
 - A. Ideas for City to assist businesses
 - B. Two area reports each meeting starting in January.

PUBLIC COMMENTS

There were none.

ADJOURNMENT

Chairman Rosansky called for the meeting to be adjourned at 9:16 am.